

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 1/22/07

SPONSOR M. P. Garcia LAST UPDATED \_\_\_\_\_ HB 11

SHORT TITLE South Valley Incorporation Feasibility Study SB \_\_\_\_\_

ANALYST Earnest

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$45.0	Non-recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

NM Municipal League (NMML)

Department of Finance and Administration (DFA)

### SUMMARY

Synopsis of Bill

House Bill 11 appropriates \$45 thousand (\$45,000) from the general fund to the North Central Economic Development District to conduct a feasibility study of incorporating the south valley of Bernalillo County.

### FISCAL IMPLICATIONS

The appropriation of \$45 thousand contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2008 shall revert to the general fund.

### SIGNIFICANT ISSUES

The study is meant to determine if an incorporated municipality in the South Valley is sustainable and better provider of public needs, including infrastructure, economic development, and health and human services.

The North Central Economic Development District does not include Bernalillo County.

According to DFA, the North Central New Mexico Economic Development District would oversee the study for a 5% administration fee above the total project cost and will contract out work within each section as necessary. Retaining a fee is not allowable

**ALTERNATIVES**

There are other agencies capable of performing or contracting for such a study.

BE/mt